STATE OF NEW MEXICO REGULATION AND LICENSING DEPARTMENT/CONSTRUCTION INDUSTRIES DIVISION PRESENTATION TO THE SCIENCE TECHNOLOGY AND TELECOMMUNICATIONS COMMITTEE JUNE 7, 2010

2009 NEW MEXICO ENERGY CONSERVATION BUILDING CODES

According to the Department of Energy, the 2009 Building Share of US Primary Energy Consumption is as follows:

Residential 21.7%, Commercial 18.2% = Building Share 39.9% Industry 32%, Transportation 28.1% (DOE Buildings Energy Data Book, Table 1.1.3, http://buildingsdatabook.eren.doe.gov/TableView.aspx?table=1.1.3)

State Code Adoption and Enforcement Scenario:

The State of New Mexico Regulation and Licensing Department's Construction Industries Division (CID) is building on its past code adoption efforts and on Governor Richardson's assurance to Secretary Chu to bring the State's residential and commercial building codes to meet or exceed the most recently published energy codes. With this goal in mind, and under the leadership of Kelly O'Donnell, Superintendent, Regulation and Licensing Department , CID staff and industry members convened the Technical Advisory Committees (TAC's) for each trade (general construction, electrical, mechanical and plumbing) to review and amend the 2009 International Energy Conservation Code (2009 IECC) and the 2009 IECC Chapter 5 for commercial buildings to reach 20% increased efficiency from the 2006 IECC.

The Construction Industries Licensing Act provides that its purpose is to promote the general welfare of the people of New Mexico by providing for the protection of life and property through the adoption and enforcement of codes and standards for construction. To achieve this, the Act authorizes the Construction Industries Commission (Commission) and Division to adopt building codes which are applicable to new construction throughout the State. To keep up with the revisions published by the code bodies every three years and to achieve 90% compliance by adopting the 2009 IECC as required by receipt of ARRA funding, CID's TAC's have been working since June 2009 to review the most current life safety code issues and to address energy conservation code requirements specific to the New Mexico building climate. Upon adoption of the new codes in July 2010, and through the development of a comprehensive training and education program from ARRA funds, the State will work with the construction industry across the state to ensure long-term solutions for sustainable and advanced building practices and reduced energy use. The State will work to educate members of the design and construction industry on how to minimize the negative impacts of building on the environment.

The Code Change Committee has been successful in developing a cost-effective package of codes for both residential and commercial buildings that reaches the New Mexico goal of 20% increased efficiency from the 2006 IECC and where the increase in cost of implementing the code is more than offset by the reduced mortgage payment or (in the case of commercial) ROI. Pubic hearings will be held in June and July in five locations around the state to gather comments on the proposed adoption and amendments to the new codes.

Energy consumer, Homeowner, Building Owner, Tenant Benefits

Residential building: The package of code change proposals pending Commission approval will result in an overall benefit of \$13.93 (on average, statewide) per month to the homeowner. The base 2009 IECC code results in an overall savings of well under \$1.00. Therefore, the additional measures before the Commission will result in a dramatic positive effect on the monthly savings. (State of NM, Energy Conservation Code 2009-2010 Code Update, 2010. http://www.rld.state.nm.us/cid/PDFs/CostAnalysis Report%20-%20final%205-24-10.pdf)

Commercial building: The package of proposed commercial codes will result in a statewide weighted average increase in efficiency of 20.62 percent. Based on The Hensley Engineering Group's analysis, this equates to a reduction in utility costs for buildings of \$1,000 - \$6,000 per year, depending on building type and size. Using a life-cycle-cost analysis, the average payback for each building type is less than 10 years. (State of NM, Energy Conservation Code 2009-2010 Code Update, 2010. http://www.rld.state.nm.us/cid/PDFs/CostAnalysis Report%20-%20final%205-24-10.pdf

